

Exhibit B

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FORM B10 (Official Form 10) (4/01)

UNITED STATES BANKRUPTCY COURT <u>Northern</u> DISTRICT OF <u>California</u> <small>San Jose Div.</small>		PROOF OF CLAIM
Name of Debtor SONICblue, Incorporated	Case Number 03-51775	
<p>NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</p>		
Name of Creditor (The person or other entity to whom the debtor owes money or property): BCIA New England Holdings, LLC	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input checked="" type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Name and address where notices should be sent: Michael F. Burke Nutter, McClennen & Fish, LLP World Trade Center West 155 Seaport Boulevard Boston, MA 02210 Telephone number: (617) 439-2000	77500498 RECEIVED JUL 22 2003 BY: <small>THIS SPACE IS FOR COURT USE ONLY</small>	
Account or other number by which creditor identifies debtor:	Check here if this claim <input type="checkbox"/> replaces <input type="checkbox"/> amends a previously filed claim, dated: _____	
1. Basis for Claim	<input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other <u>Terminated lease</u>	
2. Date debt was incurred: <u>Prior to 3/21/03</u>	3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ <u>See Attachment A</u>		
If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim.	6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges <u>at time case filed</u> included in secured claim, if any: \$ _____	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		<small>THIS SPACE IS FOR COURT USE ONLY</small>
Date 7/21/03	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): Karl Heller, Managing Director	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

In re: SONICblue Incorporated

Case No. 03-51775

United States Bankruptcy Court for the Northern District of California, San Jose Division

**ATTACHMENT A TO PROOF OF CLAIM
OF BCIA NEW ENGLAND HOLDINGS LLC**

RECEIVED
 JUL 22 2003
BY:

I. BASIS FOR CLAIM

1. The writing on which this claim is based is a certain Lease dated April 2000, as affected by the landlord's Consent to Sublease, dated June 1, 2000, and the Amended and Restated Consent to Sublease, dated January 1, 2001, between BCIA New England Holdings, LLC (the "Claimant"), as Landlord, and S3 Incorporated (now known as SONICblue Incorporated, the "Debtor"), as Tenant, with respect to land and the building located thereon in Billerica, Massachusetts, (the "Lease").¹

2. Under the Lease, Claimant leased to the Debtor certain improved real property (the "Premises") located at 5 Federal Street, Billerica, Massachusetts, for a term to expire on May 31, 2007, and, for the period commencing on June 1, 2000, to May 31, 2007, for an Annual Base Rent of \$867,510.00, § 1.1, plus (a) operating expenses, § 9.2; (b) real estate taxes, § 8.1(b); and (c) excess sublease rent, § 6.3. Lease § 3.1.

3. Pursuant to the Order Approving Debtor's Emergency Motion for Order Authorizing Rejection of Unexpired Leases of Nonresidential Real Property, dated March 28, 2003 (the "Order"), the Debtor rejected the Lease, with such rejection being effective as of March 21, 2003 (the "Petition Date"). Pursuant to section 365(g)(1) of the Bankruptcy Code, the Debtor's rejection of the Lease constitutes a breach of the Lease immediately before the Petition Date.

II. AMOUNT OF CLAIMANT'S CLAIM

4. Claimant's claim against the Debtor, as of March 21, 2003, is determined by reference to section 14.2(c) of the Lease, which prescribes the following damages upon a termination caused by the tenant's breach of the Lease:

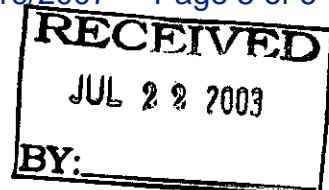
If this Lease shall have been terminated as provided in this Article, Tenant shall pay the Basic Rent, Additional Rent and other sums payable hereunder up to the time of such termination, and thereafter Tenant, until the end of what would have been the Term of this Lease in the absence of such termination, and whether or not the Premises shall have been relet, shall be liable to Landlord for, and shall pay to Landlord, as liquidated current

¹ A true and accurate copy of the Lease, with Consents, is attached hereto as Exhibit A.

damages the Basic Rent, Additional Rent and other sums that would be payable hereunder if such termination had not occurred, less the net proceeds, if any, of any reletting of the Premises, after deducting all expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, legal expenses, attorneys' fees, advertising, expenses of employees, alteration costs and expenses of preparation for such reletting. Tenant shall pay the portion of such current damages referred to above to Landlord monthly on the days which the Basic Rent would have been payable hereunder if this Lease had not been terminated. (emph. added.)

5. Claimant's claim, determined by reference to the damages provision in section 14.2(c) of the Lease, amounts to \$4,814,567.90, calculated as follows:

Basic Rent and Additional Rent and other sums owed through the end of the Lease Term from the date of termination (March 21, 2003, through May 31, 2007):	Basic Rent \$3,686,917.50 + Operating Expenses \$212,431.83 + Real Estate Taxes \$572,834.04 + Excess Sublease Rent \$294,975.00 + Other Charges \$4,253.90
Basic Rent and Additional Rent accrued and unpaid at the time of termination, March 21, 2003, less application of the security deposit of \$144,585.00:	\$43,155.79
Total claim pursuant to section 14.2(c) of Lease:	\$4,814,567.90

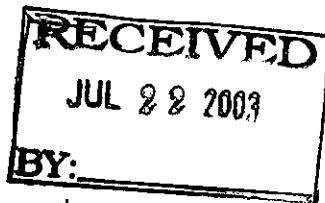


III. AMOUNT OF CLAIMANT'S ALLOWED CLAIM

6. The Bankruptcy Code disallows a lessor's claim for lease termination damages to the extent such claim exceeds the amount prescribed by subsection (b)(6) of Bankruptcy Code Section 502 (the "Statutory Cap"). The Statutory Cap applicable to Claimant's claim amounts to \$1,375,374.00, calculated as follows:

<u>Amount prescribed by § 502(b)(6)(A)</u> Rent reserved by the Lease for one year following the earlier of (i) the date of the filing of the Petition [March 21, 2003] and (ii) the date on which the lessor repossessed, or the lessee surrendered, the leased property This amounts to the rent under the Lease between March 22, 2003 and March 21, 2004.	\$1,187,633.30
<u>Amount prescribed by § 502(b)(6)(B)</u> Unpaid rent due under the Lease, without acceleration, on the earlier of such dates. This amounts to the unpaid rent under the Lease as of March 21, 2003, less application of the security deposit of \$144,585.00.	\$43,155.79
Total:	\$1,230,789.00

7. Accordingly, Claimant's claim of \$4,814,567.90 is disallowed to the extent such claim exceeds the Statutory Cap, \$1,230,789.00, resulting in Claimant's having an allowed claim under Section 502 of the Bankruptcy Code in the amount of **\$1,230,789.00**.



IV. MISCELLANEOUS

8. Claimant reserves the right to amend this Proof of Claim at any time.
9. All correspondence or other communications relating this proof of claim shall be directed to the following individuals:

Karl W. Weller, Managing Director
Boston Capital Institutional Advisors, LLC
One Boston Place
Boston MA 02108-4406
Tel: (617) 624-8900
Fax: (617) 624-8399

and

Michael F. Burke
Nutter McClennen & Fish LLP
World Trade Center West
155 Seaport Blvd.
Boston, MA 02210-2604
Tel: (617) 439-2000

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